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Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples

British Virgin Islands

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I. Background information

1. The British Virgin Islands[1] are located about 60 miles east of Puerto Rico and 15 miles from the United States Virgin Islands. The Territory comprises a group of 50 islands that form an archipelago with the United States Virgin Islands. Twenty of the islands are inhabited. The capital city, Road Town, is located on the largest island, Tortola. The other major islands are Virgin Gorda, Anegada and Jost Van Dyke. As of July 2005, the population of the Territory was estimated at 22,643.[2]

2. The earliest inhabitants of the British Virgin Islands were the Arawaks and the Caribs. The Dutch established the first permanent European community on the islands in 1648. In 1666, British planters took control of the islands and the Territory attained the status of a British colony. The planters were granted civil government, constitutional courts, an elected House of Assembly and a partly nominated Legislative Council, which first met in 1772. In 1872, the islands became part of the Federation of the Leeward Islands. In the 1930s and 1940s, British Virgin Islanders demanded greater self-governance, which led to the Territory becoming a separately administered colony in 1956.

II. Constitutional, political and legal issues

3. The British Virgin Islands is a Non-Self-Governing Territory under the administration of the United Kingdom of Great Britain and Northern Ireland. The Constitution, formulated with local input, was adopted in 1967 and amended in 1976. The administering Power appoints a Governor with responsibilities for defence, internal security, external affairs, public service and the administration of the courts; the Governor retains legislative powers as necessary to exercise special responsibilities. The Executive Council consists of the Chief Minister (appointed by the Governor from among the elected members of the unicameral Legislative Council), who has responsibility for finance, three ministers (appointed by the Governor on the advice of the Chief Minister) and one ex officio member (the Attorney General). The Governor is the Chairman of the Executive Council and must consult with it in the exercise of his duties. The Legislative Council consists of a Speaker, the Attorney General as an ex officio member and 13 elected members (9 members from one-member electoral districts and 4 members representing the Territory at large).

4. There are four political parties in the Territory: the Virgin Islands Party (VIP); the United Party (UP); the Concerned Citizens' Movement (CCM), which was founded in 1994 as a successor to the Independent People's Movement; and the National Democratic Party (NDP), founded in 1998.[3] General elections must be held at least once every four years. Candidates are elected based on a simple majority. Persons voting must be 18 years of age or over and have "belonger status", a term which the Constitution applies to a person deemed to belong to the Territory. It is estimated that some 45 per cent of the population has "belonger status", which includes the right to work without a permit and the right to vote. As was reported in previous working papers (see A/AC.109/1999/1 and Corr.1, annex; A/AC.109/1999/9, para. 28; A/AC.109/2003/5, para. 12; A/AC.109/2004/3, para. 16; and A/AC.109/2005/12, para. 10), the British Overseas Territories Act 2002 (see A/AC.109/2002/2/Add.1) granted the right of full British citizenship to all inhabitants of its Territories.

5. At the last general elections, which were held in 2003, the National Democratic Party won 8 of the 13 seats on the Legislative Council and subsequently formed the Government. After 17 years in office, the Virgin Islands Party lost power and became the opposition. On 17 June 2003, Orlando D. Smith, of the National Democratic Party, was sworn in as the Chief Minister of the Territory. The next general election is scheduled to be held in September 2007.

6. Following a highly publicized corruption trial (see A/AC.109/2004/3, paras. 55 and 56) and in keeping with its campaign promises, the newly elected Government declared its commitment to "open governance" and tabled, as part of the Government Public Sector Investment Programme for the period from 2003 to 2007, a bill on integrity in public life to regulate the conduct and accountability of civil servants.

7. On 6 September 2005, the ruling National Democratic Party gained an additional seat when its candidate won a territorial by-election, beating the Virgin Island Party candidate by 403 votes. The election was called to fill the seat left vacant by the late Communications and Works Minister and territorial-at-large representative, Paul Wattley, who had passed away in July 2005.[4]

8. The Governor of the British Virgin Islands, Thomas T. Macan, took office in October 2002. He will leave office in April 2006 to be succeeded by Governor-designate David Pearey.[5]

9. The law of the British Virgin Islands is comprised of the common law of England, locally enacted legislation, and imperial legislation. Justice is administered by the Eastern Caribbean Supreme Court, based in Saint Lucia, which consists of two divisions: the High Court of Justice and the Court of Appeal. There are two resident High Court Judges, and a visiting Court of Appeal, which comprises the Chief Justice and two judges of appeal and sits twice a year in the Territory. There is also a Magistrate's Court, which hears prescribed civil and criminal cases, as well as a Juvenile Court and a Court of Summary Jurisdiction. The United Kingdom Privy Council is the final court of appeal.

10. In response to a decision in 2001 by the United Kingdom Government to invite Territories to review their respective Constitutions, in April 2004, the Chief Minister launched a nine-member Constitutional Review Committee, which served for one year; the Committee conducted a review of the existing Constitution and made recommendations for its change. The members of the Committee, which included a wide cross-section of representatives from areas such as tourism, construction, law, education, financial services, communications and business, were selected by the Legislative Council. According to the Government, it was "the first time in the Territory's history that the process of Constitutional review was being carried out within the British Virgin Islands by locals alone" and not as a declaration of the United Kingdom Government.

11. In connection with the Constitutional review, the Government appealed to the population of the Territory to familiarize themselves with the Constitution and to participate in the discussion of the proposed changes. In order to educate the public and obtain their input in the Constitutional review, the Committee conducted a number of public meetings throughout the Territory. It also held a meeting with the League of British Virgin Islanders residing in the neighbouring United States Virgin Islands.[6]

12. The Chairman of the Constitutional Review Commission (formerly Committee) submitted the report on the Constitutional review to the Governor on 22 April 2005. The 148-page report contained 116 recommendations and outlined the constitutional history of the Territory from 1493 to date. According to the local press, the report indicated that the people of the Territory preferred the continuation of a "sharing of responsibilities between the Government of the Virgin Islands and the Government of the United Kingdom". Governor Macan stressed that the sharing "must be on terms which are agreeable to both parties, where the risks and liabilities which each bears are acceptable".[7]

13. The Commission reported back to the Legislative Council on 15 September 2005. It recommended, inter alia, to limit the Governor's responsibilities; to adopt a cabinet system of government and the creation of a sixth ministerial position, with the cabinet chaired by the chief minister; and to improve the representation of small islands, creating additional legislative council seats for the representation of Anegada and Jost Van Dyke. The Commission recommended new qualification requirements for members of the Legislative Council to ensure that the body is only comprised of indigenous Virgin Islanders. It recommended that responsibility for public services be transferred to the Chief Minister and responsibility for internal security to a National Security Council.[8]

14. The enactment of recommended changes must be negotiated between the Government of the Territory and the United Kingdom Foreign and Commonwealth Office, and requires the approval by the United Kingdom Privy Council.[8] On 21 February 2006, a Constitutional Negotiating Team was named to represent the Territory in discussions with the United Kingdom scheduled to start in March 2006.[9]

15. On 15 April 2005, the first meeting of the Inter-Virgin Islands Council was held at Government House on St. Croix. It was co-chaired by United States Virgin Islands Governor Turnbull and Chief Minister Smith. The Council discussed common issues facing the two Territories and reviewed the structure of 11 committees, dealing with issues ranging from mutual disaster preparedness and assistance and law enforcement to tourism, inter-territorial trade, as well as constitutional advancement. The Council aspires to be a forum to manage disputes and settle them in a peaceful, transparent and fair fashion.[10]

III. Budget

16. In December 2005, Deputy Chief Minister and Minister of Finance, Ronnie W. Skelton, delivered the Government's address on the budget for 2006 to the Legislative Council. For 2006, the British Virgin Islands expect a 7.4 per cent growth in revenue over 2005 figures, or a total of some $233 million. Approximately $204 million has been earmarked to cover recurrent expenditures and more than $29 million is expected to go into the Development Fund for the execution of capital projects. Some $4 million will be distributed among a variety of funds, including pension and emergency and disaster funds.[11]

IV. Economy

A. General

17. The economy of the Territory is based on tourism and offshore financial services, which account for 75 per cent of the Government's recurrent revenue. Speaking in December 2005, the Minister of Finance noted that the state of the economy had never been stronger, with an expected gross domestic product (GDP) of over $898 million. The public debt of the Territory stood at 12 per cent of GDP, or slightly over $102 million.[11] The rise in real output was attributed to the heightened tourism activity supported by continued growth in the financial services sector.

18. According to the administering Power, the principal trading partners of the Territory are the United States of America, Puerto Rico, countries members of the Caribbean Community (CARICOM) and the United Kingdom. Imports consisted mostly of food, machinery and fuel. According to the Economist Intelligence Unit, exports from the Territory were estimated at $34.5 million, whereas imports reached $300 million.[8]

19. In 2005, a serious reform of the Territory's tax system was instituted whereby the income tax exemptions previously enjoyed only by international businesses were extended to local businesses. Since January 2005, all businesses in the Territory have been exempt from income tax. At the same time, employers will pay 2 or 6 per cent payroll tax depending on the size of the business. Under the Payroll Tax Bill of December 2004, employees no longer have to pay income tax based on the pay-as-you-earn (PAYE) system. Their contribution is 8 per cent, with the first $7,500 of employee income remaining tax free.[12]

20. In order to promote a stronger relationship with the Asian business community and to stimulate mutual growth based on open trade and increased commerce, in May 2004 and November 2005, the Chief Minister, the Minister of Finance and a delegation of over 30 members of the private sector, representing the local financial services industry, met with business leaders from two provinces of China, namely Hong Kong and Taiwan, Singapore and others from across the Asia-Pacific region. Over 400 high-ranking business leaders from across the Asia-Pacific region attended the presentations of the British Virgin Islands delegation. Additionally, the Chief Executive Officer of the Financial Services Commission and several members of the private sector delegation of the Territory made presentations. Separate meetings were held with both Government and private sector representatives from the British Virgin Islands and their counterparts from the region.[13] Data released by the Hong Kong Census and Statistics Department showed that companies based in the British Virgin Islands were the largest source of external inflows into Hong Kong during the second quarter of 2005. The Territory accounted for 29 per cent of $4.8 billion in external inflows into Hong Kong, outranking that of the rest of China, the United Kingdom and the United States.[8]

B. Agriculture and fisheries

21. Agriculture contributes 1.5 per cent of GDP and engages 1.9 per cent of the population in paid employment. There are serious obstacles to developing the agricultural sector, such as a shortage of labour, water and marketing facilities. The fishing industry contributes 1.3 per cent to the Territory's GDP.

22. In order to promote farming, the Department of Agriculture organized, in March 2004 and 2005, agricultural exhibitions on the islands of Anegada and Virgin Gorda, as well as a Food Fair and Market Day, as part of the Farmers Week.[14] In addition, the Government passed the Pound and Livestock Brands Act to better protect farmers' properties and provided grants and capital assistance to small stock farmers. The Government also promoted gardening in primary schools, for the young to consider working the land as a viable career option.[15]

23. The two main types of fisheries in the Territory are small-scale (commercial) and recreational fisheries. There is also the offshore longline pelagic fishery with only one longline vessel in operation. Commercial fisheries comprise about 300 boats, with 50 per cent of the fishers owning their fishing gear. Most fishers market their own catch at various places within the Territory, with an appreciable number of them selling their catch directly to hotels and restaurants and a small number to the British Virgin Islands Fishing Company.[16] According to the Government, the construction of a new Fisherman's Ramp at Carrot Bay has been completed.[15]

24. In June 2004, the Government of the Territory signed a Memorandum of Understanding with the State of Maryland, United States, to develop cooperation in agriculture and fishery. Joint projects include trade and training activities, development of sheep breeding and the expansion of the fishery industry, in particular fish, lobster and shrimp farming.[17]

C. Construction

25. In his State of the Territory address, the Chief Minister stressed the need to ensure that the British Virgin Islands had the necessary modern infrastructure. He noted that his Government had made strategic investments throughout the Territory. The construction of a needed dock in Anegada had been completed. In Virgin Gorda, a new road had been built which connects the North Sound with the island's Valley, thus making travel by car and truck easier and safer.[15]

26. In February 2006, construction started at the Virgin Gorda Yacht Harbour. Development of the town centre and the harbour will create increased commercial and residential space, and bring about 200 new jobs to the island.[18] Rehabilitation projects for improving the capital Road Town have commenced.[15]

27. In June 2005, the Government secured a $10 million loan from the Social Security Board of the Territory to renovate the roads that sustained massive damages during the heavy rainfalls of November 2003. The press reported that contracts for road improvements and construction would mainly be given to local businesses.[19]

D. Tourism

28. Rich vegetation, unspoiled beaches, yachting marinas and fine coral reefs make the islands a natural tourist destination, and tourism continues to be the most important economic sector for the Territory. According to the Economist Intelligence Unit, the tourist industry of the Territory is geared towards the upper end of the market and is based mainly on luxury accommodations and yacht charters, with yachting visitors outnumbering hotel guests in most years. From January to August 2005, more than 250,000 tourists arrived in the Territory; that number represents an increase of 10 per cent compared to the same period in 2004.[8] According to the Government, the average hotel occupancy rate was well above 65 per cent.[15]

29. In order to further raise the level of customer service, the Government introduced the Tourism Industry Service Standards programme in 2005. The programme includes the development of the Standards of Performance Manuals for hotels and restaurants, as well as a programme of quality inspections. Government investment in the programme through 2007 will total $3 million.[20]

30. The Government also purchased Prospect Reef Resort, which it plans to develop into an enterprise that would serve as both a full-service business hotel, so as to make the Territory more competitive in the lucrative conventions market, as well as a cutting-edge training centre to provide young people an opportunity to learn the craft of hotel management and hospitality. A Board of Directors has been established, and a Chief Operations Officer, charged with overseeing daily operations of the resort, was named.[15]

E. Finance

31. The provision of international financial services is the second key pillar of the economy of the Territory. Fees from these services alone bring in more than half of the Government's revenue. The British Virgin Islands was one of the first Territories to adopt legislation (in the mid-1980s) allowing registration of international business companies and continues to claim about 45 per cent of the world's market. The British Virgin Islands does not tax the assets of the companies, ensures their privacy and has a well-educated population, which enhances the quality of the services and regulation provided. At present, there are about 700,000 international business companies registered in the Territory.[8]

32. As mentioned in paragraph 19 above, newly enacted legislation extended the zero tax regime to local companies. The new Business Companies Act has brought the Territory into full compliance with the European Union Savings Tax Directive and the European Union Code of Conduct on Business Taxation, as required by the United Kingdom of all its Territories.[21]

33. According to the Chief Minister, corporate business in the Territory has remained strong, which has been a clear sign of investor confidence. The Government will continue to enhance and promote the reputation of the Territory as a world-class financial services jurisdiction. Towards that goal, the International Finance Centre continued to execute an ambitious marketing strategy. A series of road shows was organized in key financial centres in Asia, Europe and the United States. As businesses in Asia and the Pacific Rim maintain a strong interest in the

Territory, the Government also plans to establish a permanent presence in that region in the near future (see para. 20 above).[15]

F. Transport and communications

34. According to the Economist Intelligence Unit, the British Virgin Islands have 210 kilometres of surfaced roads. Direct shipping services operate from the United Kingdom, the United States and the Netherlands; a deepwater harbour exists in Road Town. A regular ferry service links Tortola with some of the other islands and with St. Thomas of the United States Virgin Islands. There are three international airports in the British Virgin Islands. Fifteen airlines fly to the Territory.

35. A new terminal in the Beef Island Airport (renamed T. B. Lettsome International Airport) was opened in 2002. After long delays and a corruption scandal (see A/AC.109/2004/3, paras. 55 and 56), the National Democratic Party Government signed a contract to expand the runway. In May 2004, the runway extension and control tower facility were officially opened. The new 4,600 feet long runway and the taller control tower have greatly enhanced the safety of aircraft operations. The overall expansion of the airport was the largest project ever undertaken in the history of the Territory. Currently, work has started on critically needed upgrades to the Anegada airport, including new lighting.[15]

36. Amid public concern that the Virgin Gorda Airport would be closed owing to its failure to meet international safety standards, the Government was successful in purchasing the airport property from its owners. Since the airport was an integral part of the island's infrastructure and an essential link for residents and tourists, the Government now has the opportunity to review the operation of the airport and to design measures for required upgrades.[22]

37. The British company Cable and Wireless provides basic telephone services in the Territory. The current contract with the company expires in 2007. Following the Government's decision not to renew its exclusive licence and to promote a competitive market, the company is working with the Government in order to find a suitable model for the liberalization of the local telecommunications industry. According to press reports, Cable and Wireless is upgrading its network with the most technologically advanced systems. A telecommunications regulatory adviser hired by the Government is assisting in developing a policy that would determine the requirements for telecommunications operators intending to do business in the Territory.[23]

V. Social conditions

A. General

38. Public assistance is provided for those who need it through the Social Security Board, a statutory body that falls under the Ministry of Finance. It provides for sickness and maternity benefits, as well as pensions. According to the administering Power, the Social Development Department has a number of programmes, which include Elderly and Disability Services, Family and Children Services, Rainbow

Children's Home, Social and Legal Aid, and Community Development. Considerable attention is paid to the youth programmes.

39. Immigration accounts for almost half of the population growth in the Territory. In December 2004, the Chief Minister announced the new immigration policy related to residence and "belonger" status. Under the new policy, persons who have resided in the Territory continuously for more than 20 years will be recommended to be granted residence status. However, only 25 persons will be granted the status per year. The Chief Minister announced that the Government remains committed to review the entire immigration legislation to ensure, among other things, "belonger status" for children born outside the Territory to a British Virgin Islander parent whose entitlement to "belongship" is by descent.[24]

B. Labour

40. The labour force of around 12,200 workers is engaged primarily in tourism (25 per cent), government employment (21 per cent) and construction (10 per cent). The unemployment rate in the British Virgin Islands has been uniformly estimated at 3.6 per cent for the years from 2000 to 2003.[25]

41. As of 2002, immigrants constituted 61 per cent of the working labour force, comprising 53 per cent of managers, 65 per cent of professionals and 52 per cent of assistant professionals. This was confirmed in a review of the British Virgin Islands economic performance by the Caribbean Development Bank, which found that the Territory had not been able to meet its human resource needs with local labour. Despite the dependence on external labour, the immigration policy of the Territory with respect to granting work permits and resident status was thought to be rather slow and still lacking transparency.[26]

C. Education

42. Education is free and compulsory in the Territory for children between the ages of 5 and 11 years; secondary education (from 12 to 16 years) is also free. There are 18 public and 11 private primary schools in the Territory, on Tortola, Anegada, Virgin Gorda and Jost Van Dyke. There are three high schools (one private and two public) and a community college at Road Town. Secondary education is available to the General Certificate of Education "A" Level. Higher education is provided by the University of the West Indies. The H. Lavity Stoutt Community College offers associate's degree courses and technical education. In April 2006, the College will officially open a Learning Resource Centre.

43. The Chief Minister has reiterated the commitment of the Government to provide the young generation with the best education. In order to provide world-class education, the Government started a National Curriculum Project, bringing together local and overseas education professionals and experts to develop a comprehensive curriculum for the Territory's schools. The Legislative Council passed a new Education Act to frame the progress made and opened a Department of Youth Affairs and Sports. In addition, the Chief Minister cited that the 2005 graduation class at the Community College was the largest in the history of the institution.[15] Important rehabilitation projects were completed at the Ebenezer Thomas Primary School, and work has begun at the Alexandrina Maduro Primary

School. The Government is planning to commence the construction of a new high school in 2006.[27]

D. Public health

44. The territorial Government is the major provider and financier of health services. The Territory has one public hospital (Peebles Hospital), one health centre at Road Town and a network of eight district clinics, as well as two satellite clinics at Brewers Bay and Sea Cow Bay. Private health care is provided by one private hospital, two private dental surgeries, two private medical complexes and nine private physicians. According to the administering Power, health services are almost entirely financed (95 per cent) from the Consolidated Fund. User fees generally constitute 8 per cent of the operating costs of services. In 2002, total recurrent expenditure for health was $28.7 million. Expenditure in 2003 for public health services overseas was $700,000.

45. The Government has recently made important investments in improving and expanding health-care facilities. On 15 June 2005, the Peebles Hospital expansion was officially opened, enabling the Territory to provide better and more comprehensive health care.[28] The new facilities include a number of specialized units, including an accident and emergency trauma unit and a dialysis unit.[19]

46. In order to ensure the efficient operation of the British Virgin Islands health-care system, the Government has established, for the first time in the history of the Territory, a Health Services Authority.[15]

47. During the period under review, the Government continued efforts to combat HIV/AIDS. Growing concern over high rates of HIV/AIDS in the region has led doctors and Government officials of the Territory to increase their efforts to treat existing patients and fight the spread of the disease. Currently, 46 people are living in the Territory with HIV/AIDS. Of those, 26 people are infected with HIV, and 20 people have been diagnosed with AIDS and are receiving special medications. The Government has established an education programme to promote healthy sexual behaviour. An important part of the programme is to encourage people to be tested for HIV/AIDS. The National AIDS Programme Coordinator also established HIV/AIDS sensitization programmes for private and public sector health-care providers (nurses, doctors, dentists, physical therapists, lab technicians and radiology).[29]

E. Public works

48. According to the Chief Minister, the Territory faced serious challenges in the public works area that needed to be addressed. With the commissioning of new generators in August 2005, the electricity-generating capacity was increased. The new equipment has raised the hope that the frequent blackouts in the Territory will become a feature of the past.[30] To absorb the generally higher international fuel prices, the British Virgin Islands Electricity Corporation introduced a price hike for electricity in August 2005. While the Corporation encouraged customers to conserve energy, the Government has established a committee to look into ways and means to ease the burden on consumers, to plan for the future and to reduce the Territory's dependence on fossil fuels through the utilization of alternative energy sources.[31]

49. The Water and Sewerage Department of the Territory has about 8,000 customers, which are provided water from 10 active reservoirs and 8 desalination plants. The plants are owned by three private companies from which the Government buys the water. A number of studies have revealed that rain water cisterns contain major contaminants and do not meet international standards. The Government has started discussions to adjust legislation in order to protect groundwater resources, prevent pollution and contamination, as well as to establish clear requirements for the maintenance of water quality.[32]

F. Crime

50. During 2004, the increased level of crime in the Territory became a matter of national concern and, at the beginning of 2005, was brought to the attention of the Legislative Council. The discussion brought to light the inadequacy of the law enforcement and criminal justice system in the Territory. Subsequently, in June 2005, the Chief Minister pledged that the Government would not be satisfied until the problem of crime was mastered. He announced measures to bring forward new legislation to stiffen penalties for any person convicted of either illegal possession of a gun or the use of a gun in the commission of a crime.[15] Subsequently, a three-member Firearms Advisory Committee was established with a view to reducing the number of illegal guns, and licenses were introduced for air guns and rifles.[33] In September 2005, the Chief Minister presented a seven-point plan of action to address crime, including legislation to strengthen the regulation of firearms.[34]

51. As part of the Government strategy to combat crime, the Royal Virgin Islands Police Force, which maintains four stations on Tortola and one each on Virgin Gorda, Anegada and Jost Van Dyke, has restructured its operations and established a new department called the Drug and Violent Crime Task Force. Foot patrols and mobile controls have stabilized the situation in a number of communities. At the end of 2005, the Police Force reported a decrease of 16 per cent in the number of serious crimes for the year.[35]

52. During 2005, the Legislature of the Territory passed a series of acts improving the handling of young offenders. The Children and Young Persons Act No. 8 provides for the prevention of cruelty to, and the protection of, children and young persons: proceedings involving children and young persons are referred to a newly created youth court, which was established by the Youth Courts Act No. 11 of 2005. A separate act, one that legislates the sentencing of children and young persons, addresses drug rehabilitation and after-care orders as alternative measures for sentencing, thus preventing the incarceration of youths with adult offenders.

53. According to press reports, a wide range of criminal activities has been fuelled by the influx of illegal immigrants who also place a growing financial and social burden on the Territory. The Territory's customs and police departments have carried out joint operations aimed at curbing illegal immigration and bringing violators to justice. While the problem of undocumented persons and the aiding and abetting of illegal immigrants needed to be addressed, the Government has continued to repatriate illegal immigrants, updated its immigration stop list, and ordered deportations of persons convicted of offences, including drug possession, smuggling, and illegal entry.[36]

VI. Environment

54. In the period under review, the Ministry of Natural Resources and Labour of the Territory has signed agreements for the Government to acquire privately owned land for the purpose of nature conservation. In April 2005, land at Witches Brew and Bar Bay, including 26 acres of mangrove wetlands, was acquired for the creation of a national park, which would receive a visitors' centre as well a bird sanctuary. In May 2005, the Government bought 53.4 acres of land at Long Bay, Beef Island, for minimal development and mangrove preservation.[37]

55. In February 2006, the Law Reform Commission of the Territory appointed a 16-member committee to review the environmental laws and to make recommendations for reform.[38]

VII. Relations with international organizations and entities

A. United Nations system

56. The Territory enjoys associate membership in the International Labour Organization, the United Nations Educational, Scientific and Cultural Organization and the Economic Commission for Latin America and the Caribbean. The Territory also receives some funds from the United Nations Development Programme in implementing its country cooperation framework.

B. Regional organizations and entities

57. The Territory is an associate member of CARICOM and the Organization of Eastern Caribbean States (OECS). Because of its relatively high level of economic development, the Territory is being pressured to become a full member and to open its labour market to OECS workers. It is a borrowing member of the Caribbean Development Bank. It is also a signatory to the Lomé Convention, which provides for some development assistance.

VIII. Future status of the Territory

A. Position of the territorial Government

58. Kendrick Pickering, a representative of the Chief Minister of the British Virgin Islands, attended the Caribbean regional seminar on decolonization, held in Saint Vincent and the Grenadines, from 17 to 19 May 2005. In his statement,[39] he noted, inter alia, that the Territory balanced its budget with a surplus and had done so over the last number of years. It received no aid from the United Kingdom in that respect. The 1999 White Paper, "Partnership for Progress",[40] indicated that the United Kingdom wanted freedom for the Territories to run their own affairs to the greatest degree possible. Real progress was being realized, he said, through the establishment of the Constitutional Review Commission in February 2004. The Commission consisted of nine members of varied backgrounds, and it had seven specific terms of reference and a general reference to review the overall

Constitution. The report of the Commission had been submitted in April 2005 and would be debated in the Legislative Council. Subsequent developments regarding the Constitutional review process are detailed in paragraphs 12 to 14 above.

B. Position of the administering Power

59. In a statement at the 2nd meeting of the Special Political and Decolonization Committee (Fourth Committee) during the sixtieth session of the General Assembly, held on 5 October 2005 (see A/C.4/60/SR.2), the representative of the United Kingdom said the consultation process between his Government and its 10 overseas territories was continuing. The seventh annual meeting of the Overseas Territories Consultative Council would be held in London in October 2005. The Council provided a forum for dialogue between democratically elected chief ministers and their equivalents from the Territories and United Kingdom Government Ministers on a range of issues, including the relationship between the United Kingdom and its overseas Territories, constitutional modernization, good governance, environmental matters and the international obligations of the United Kingdom.

60. The United Kingdom Government welcomed the progress that was being made in the constitutional review process; there had been useful discussions between his Government and representatives of Gibraltar, Montserrat and the Turks and Caicos Islands. In Saint Helena, a consultative poll had rejected a revised draft constitution and that Territory was currently considering its next steps. Extensive discussions had been held with the Independence Commission set up in Bermuda to look into the implications of any move towards independence; at the Commission's request, his Government had drafted a paper setting out its position on a number of issues, which was currently being studied by the Government of Bermuda.

61. His Government, he pointed out, continued to support capacity-building projects and to promote sustainable development and good governance in its overseas Territories. The Overseas Territories Environment Programme continued to support the implementation of the environment charters for the overseas Territories. His Government likewise continued to support its overseas Territories in their efforts to strengthen relations with the European Commission and to improve access to the trade and economic and developmental aid provisions of the European Union — Overseas Countries and Territories Overseas Association Decision. It had also continued its informal cooperation with the Special Committee on decolonization; in that context a visit had been made to Bermuda with a view to considering progress towards the delisting of that Territory.

62. In a separate communication regarding the Overseas Territories Consultative Council held in London in October 2005, the United Kingdom Government noted that there was useful discussion on the relationship between the United Kingdom and the overseas Territories and also on progress on constitutional modernization, which continued to take account of the particular circumstances of the Territories. Other areas covered in the discussions were external relations, good governance, law enforcement, financial services, transport, sustainable development and relations with the European Union. The Department for International Development, in association with the Overseas Territories Consultative Council, organized round tables on the issues of human rights and disaster management.

C. Consideration by the General Assembly

63. On 8 December 2005, the General Assembly adopted without a vote resolutions 60/117 A and B; section IV of resolution 60/117 B concerns the British Virgin Islands.

Notes

[1] The information contained in the present working paper has been derived from published material and from material provided by the administering Power under Article 73 *e* of the Charter of the United Nations.

[2] United States Central Intelligence Agency, The World Factbook, British Virgin Islands, update as of 17 May 2005 (see www.cia.gov).

[3] *The Island Sun*, 26 September 2003.

[4] *Caribbean Net News*, 8 September 2005.

[5] *The BVI Beacon Online*, 12 January 2006.

[6] *The Island Sun*, 1 May, 18 September, 2 December 2004 and 29 January 2005; *BBC Monitoring Americas*, 19 May 2004.

[7] *The Island Sun*, 7 May 2005.

[8] The Economist Intelligence Unit, *Country Report*, December 2005 (see www.eiu.com).

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[39] For a summary of the statement, see *Official Records of the General Assembly, Sixtieth Session, Supplement No. 23* (A/60/23), chap. II, annex, para. 23.

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